

IC 20-49-5

Chapter 5. Advancement From the Common School Fund for Transfer Tuition Costs

IC 20-49-5-1

"Advance"

Sec. 1. As used in this chapter, "advance" refers to an advance from the fund under this chapter.

As added by P.L.2-2006, SEC.172.

IC 20-49-5-2

"Fund"

Sec. 2. As used in this chapter, "fund" refers to the common school fund in the custody of the treasurer of state.

As added by P.L.2-2006, SEC.172.

IC 20-49-5-3

State board; advance; purposes; maximum advance

Sec. 3. To assist a school corporation in providing the school corporation's educational program to a student placed in a facility or home as described in IC 20-26-11-8(a) or IC 20-26-11-8(b) and not later than October 1 of each school year, the state board may advance money to a school corporation in anticipation of the school corporation's receipt of transfer tuition for students described in IC 20-26-11-8(a) or IC 20-26-11-8(b). The amount of the advance may not exceed the amount determined under STEP TWO of the following formula:

STEP ONE: Estimate for the current school year the number of students described in IC 20-26-11-8(a) or IC 20-26-11-8(b) that are transferred to the school corporation.

STEP TWO: Multiply the STEP ONE amount by the school corporation's prior year per student transfer tuition amount.

As added by P.L.2-2006, SEC.172.

IC 20-49-5-4

Conditions of advance; certification; repayment agreement

Sec. 4. (a) To qualify for an advance, a school corporation shall do the following:

(1) Certify to the state board the information described in section 3 of this chapter.

(2) Request from the state board the anticipated amount of transfer tuition not to exceed the amount described in section 3 of this chapter.

(3) Guarantee full repayment of the advance by agreeing to have:

(A) one-half (1/2) of the amount of the advance deducted from the monthly distribution of state tuition support received by the school corporation six (6) months after the advancement is made, with interest at the rate of four percent (4%); and

(B) the balance of the amount of the advancement deducted from the monthly distribution of state tuition support received by the school corporation twelve (12) months after the advancement is made, with interest at the rate of four percent (4%).

(b) The deducted amounts shall be transferred by the state board to the fund.

As added by P.L.2-2006, SEC.172.

IC 20-49-5-5

Reimbursement of interest; notice between school corporations

Sec. 5. A school corporation receiving an advance shall notify the school corporation or auditor of state from which the school corporation receives transfer tuition under IC 20-26-11 for students described in IC 20-26-11-8(a) or IC 20-26-11-8(b) of the amount of interest withheld under section 4 of this chapter. The school corporation or auditor of state shall reimburse the school corporation for the interest expense at the same time the transfer tuition is paid.

As added by P.L.2-2006, SEC.172.

IC 20-49-5-6

Obligation to repay advance; effect of failure to receive transfer tuition reimbursement; obligation not treated as debt

Sec. 6. (a) A school corporation's obligation to repay the advancement may not be construed to be diminished or otherwise affected if the school corporation in which the student has legal settlement fails to pay the transfer tuition as required under IC 20-26-11 to the transferee school corporation in a timely manner.

(b) An advance may not be construed to be an obligation of the school corporation within the meaning of the limitation against indebtedness under the Constitution of the State of Indiana.

As added by P.L.2-2006, SEC.172.